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DEPARTMENT OF HOMELAND SECURITY PLEASE PASS TO PAUL
FUJIMURA, OFFICE OF INTERNATIONAL AFFAIRS

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SUBJECT: SCENESETTER FOR SECRETARY CHERTOFF'S VISIT TO JAPAN

Classified By: Ambassador J. Thomas Schieffer. Reasons 1.4 (b/d).

¶1. (C) Embassy Tokyo welcomes your coming visit. The U.S.-Japan relationship is healthy and strong. Japan is eager to expand its special relationship with the United States. The Department of Homeland Security plays a central role in four of the key elements of a 21st century U.S.-Japan alliance: 1) anti-terrorism initiatives, 2) disaster preparation and response, 3) law-enforcement cooperation and 4) public-private sector partnerships that secure and facilitate travel and trade.

¶2. (C) The Japanese have embraced several DHS projects, including the Container Security Initiative (CSI), Immigration Advisory Program (IAP) and the Air Marshals program. We hope your visit can build on their enthusiasm to help expand our bilateral partnership in areas such as information sharing, science and technology (S&T) collaboration and secure trade. A recent legislative change to the Immigration Law clears the way for Japan to share information with foreign immigration officials, an opportunity we would like to pursue. Despite high-level visits by DHS representatives -- Commissioner Bonner and Ambassador Arcos visited in 2004 and Assistant Secretary Hawley was here earlier this year -- and frequent outreach by your Embassy representatives, the broad and far-reaching responsibilities of DHS remain puzzling to parts of the Japanese government. Your visit will help rectify that.

Politics and Economics

¶3. (C) After feeling the heat early this year over a variety of domestic scandals, the Koizumi administration is back on track in the Diet. We expect the Diet to pass Japan's FY06 budget by the end of the month, freeing political leaders to tackle new issues. Much attention is being paid to a package of administrative reform bills that will revamp the government. Of vital importance to us is a proposed revision to the Immigration Control and Refugee Recognition Law. The revision would authorize the government to collect foreigners' biometric data, deport suspected terrorists, and mandate airline participation in a Japanese version of the Advanced Passenger Information System (APIS). Several groups in Japan continue to oppose blanket fingerprinting, and we expect heated debate on the issue during the session, which is set to close on June 18.

¶4. (C) Prime Minister Koizumi's Liberal Democratic Party (LDP), together with its coalition partner Komeito, controls

over two-thirds of the Lower House and a simple majority in the Upper House. Despite its overwhelming numbers, the coalition has differences on issues like education reform, constitutional revision and defense policy, and negotiations on these issues can be painstakingly slow. Koizumi is expected to step down in September, and the race to succeed him has already begun. You will be meeting with several frontrunners, including Chief Cabinet Secretary Abe (the leading candidate at this point), Foreign Minister Aso and Finance Minister Tanigaki.

15. (C) As the world's second-largest economy, Japan's market provides rich trade and investment opportunities for U.S. and Asian firms. After a decade of economic stagnation, Japan is now in its second year of domestic demand-led growth. Japan, with an annualized growth rate of 5.5 percent during the fourth quarter of 2005, posted 2.8 percent real GDP growth for CY2005. However, Japan faces several challenges including a fiscal deficit that is the largest of the G-8 countries and a rapidly aging population. Koizumi's reforms are highlighted by the privatization of Japan's massive postal system and also include cuts in government spending and the beginnings of an overhaul of the pension and health care systems. He is on track in his vow to double foreign investment in five years, but lingering public distrust has made slow going for reform of merger and acquisition laws of interest to U.S. business.

Bilateral and Foreign Relations

16. (C) In October last year, Secretary Rumsfeld and Secretary Rice and their Japanese counterparts signed a

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historic agreement on transformation of our alliance. The agreement strengthens deterrence, enhances Japan's contribution to regional peace and security and reduces the burden on Japanese communities hosting U.S. bases. We are still hammering out the details, with relocation of Marine Corps Air Station Futenma in Okinawa and moving 8,000 Marines to Guam being the major sticking points. In other areas, we have secured, in principle, extension of the deployment of Japan's Self Defense Force troops in Iraq, notified Japan that a nuclear-powered carrier is scheduled to replace the USS Kitty Hawk at Yokosuka and begun deployment of the advanced X-Band missile defense radar in Japan. We recently agreed that Japan would maintain its level of host-nation support for two years.

17. (C) In contrast to our healthy bilateral partnership, Japan's relations with its neighbors are riddled with territorial and historical problems. Anger over the North Korea abductee issue is palpable, and Japan continues to take a hard line, in cooperation with us, in the Six-Party Talks. Koizumi's annual visits to Yasukuni Shrine make international headlines. The Shrine houses convicted class-A war criminals and China and South Korea oppose these visits because they claim it glorifies Japan's wartime aggression. In addition, unresolved disputes over energy rights in the East China Sea and an ongoing freeze in high-level discussions with China and South Korea have led even Foreign Minister Aso to say that there is "nothing he can do" to improve relations. Despite its diplomatic troubles, Japan continues to pursue good economic relations with China and other neighbors. China replaced the United States as Japan's largest trading partner in 2004, and bilateral trade with Russia continues to grow even though the two countries remain deadlocked over "Northern Territories Problem" (both countries lay claim to four islands off Hokkaido's coast).

Homeland Security in Japan -- Praise and Prod

18. (C) DHS does not have a direct counterpart in Tokyo, and many homeland security responsibilities are dispersed among various ministries and agencies. There appears to be genuine admiration within the Government of Japan (GOJ) for the

massive government reorganization that created DHS. The GOJ has been receptive to our ideas, but bureaucratic stovepiping impedes the sharing of information among ministries. In addition, a complacent attitude about threats directed against domestic targets means that many Japanese do not share the same urgency in developing and implementing domestic anti-terrorist measures as we do in the United States.

¶9. (C) Your visit presents an opportunity to blend praise for cooperation already extended with encouragement for further progress. In your meetings, we hope you can express appreciation for Japan's support on CSI, IAP, the Air Marshals program and the International Port Security Program (IPSP). Japan's commitment to CSI served as a catalyst for participation by other Asian countries; four CSI teams are currently operating in Japan in the ports of Tokyo, Nagoya, Kobe and Yokohama. In 2005, an exchange of diplomatic notes for the Air Marshals program formalized U.S. operations to Japan and Japanese operations to the United States. By the time of your visit we expect to have completed an exchange of diplomatic notes with the Foreign Ministry authorizing IAP and setting the stage for signature of three Memoranda of Operation. Nevertheless, there is room for further cooperation. We hope that you will educate your interlocutors about the roles and responsibilities of DHS and push for greater information sharing, law enforcement and anti-terrorism cooperation, and S&T collaboration.

¶10. (C) The President has stated that S&T, an area where we have a key advantage over the terrorists, is one of our most important tools in the fight against terrorism. One long-standing goal is to enhance collaboration with Japan on S&T, specifically in the areas of biodefense and infectious diseases, food safety, border controls, and critical-infrastructure protection and cybersecurity. Our aim is to leverage Japan's S&T capabilities and seek greater Japanese contribution to our common defense against terrorism through the U.S.-Japan Workshop for a Secure and Safe Society, which we established in February 2004. While progress has been slow and matching priorities remain a serious challenge under the Workshop, we are still eager to advance the counterterrorism and homeland security S&T agenda with Japan, albeit under a less ambitious program. Your visit should be an opportunity to prod the Japanese into gearing up their S&T program to focus on more practical results for end-users.

¶11. (SBU) U.S. and Japanese businesses are interested in working with both governments to enhance security even as we reduce transaction costs involved in trade. Japan, as a key ally in the war on terror, our largest overseas trading partner, and a source of leading-edge technology, would make an ideal candidate for a pilot "secure trade" program that could use new technologies such as radio frequency ID (RFID) programs to track shipping containers. This would help legitimate businesses and U.S. and Japanese law enforcement officials. When you meet with American and Japanese business, they might raise this concept with you. We recommend working with Japan on such a program that, if successful, could become a model for other key trading partners.

High-Level Meetings

¶12. (C) In order to cover the spectrum of DHS issues, we are requesting meetings with Prime Minister Koizumi, Chief Cabinet Secretary Shinzo Abe and five other Cabinet ministers. All are elected politicians; the Diet chooses the Prime Minister, who then appoints his Cabinet. To aid you in tailoring your comments to different meetings, here is a list of the ministers you will be meeting and their DHS-related responsibilities.

¶13. (C) Foreign Minister Taro ASO: The Ministry of Foreign Affairs (MOFA) is the gatekeeper of many issues, particularly those that require multiple ministry participation. MOFA

granted diplomatic status for CSI personnel in 2005, assisted in the exchange of notes for the Air Marshals program and is helping to initiate a pilot IAP for Narita Airport. MOFA is also marshaling Japanese government support for Megaports. We require future MOFA cooperation on the U.S.-VISIT initiative, biometric passports, 10-finger biometric identification, exchanging biometric data on terrorists, and the registered traveler program. MOFA will likely want assurances about its visa-waiver status. Japan's new biometric passports meet international standards and should ensure its continued participation in our visa-waiver program. Minister Aso might also ask whether we will continue to require a visa for non-Japanese passengers transiting the United States. In the past, MOFA has also asked us to consider revalidating visas for Japanese entrepreneurs in the United States.

¶14. (C) Justice Minister Seiken SUGIURA: The Ministry of Justice (MOJ) is responsible for implementing many of the projects negotiated by MOFA. The Japan Immigration Bureau (JIB) is part of the MOJ and has proved to be a great partner on alien smuggling, IAP and APIS. MOJ/JIB will play a critical role in Japan's version of the US-VISIT initiative, as well. We are engaged in ongoing discussions to advance our information sharing processes, from exchanging data on individuals to entire databases. The GOJ is evaluating our proposal to share terrorist lookout information under Homeland Security Presidential Directive-6.

¶15. (C) Public Safety Commission Chair and State Minister for Disaster Management Tetsuo KUTSUKAKE: Minister Kutsukake wears two hats. As Chair of the Public Safety Commission he oversees the work of the National Police Agency (NPA), Japan's national law-enforcement body. The NPA is a central police organization that controls and supervises prefectural police organizations on matters of national concern. The prefectural organizations have the authority to carry out police duties. The NPA has a database of 80,000 organized criminals but so far has refused to exchange the database. We suggest you emphasize the broad law-enforcement mission of DHS and underscore the importance of information sharing. It will be important to persuade Minister Kutsukake to take a personal stake in overcoming NPA intransigence. He is also the State Minister for Disaster Management, Japan's version of FEMA, and will likely be interested in our response to Hurricane Katrina. Japanese officials participated in last year's TOPOFF exercise, and a delegation recently visited Baton Rouge for FEMA briefings on the response to Katrina. NPA Commissioner-General Iwao URUMA will attend this meeting.

¶16. (C) Finance Minister Sadakazu TANIGAKI: The Ministry of Finance's (MOF) Customs and Tariff Bureau (CTB) has been a critical asset to establishing CSI in Japan. We are nearing a milestone with almost 900,000 shipments from Japan to the United States without incident. MOF and MOFA work closely with us to stem the flow of terrorist finance. Cooperation against illicit finance was a central topic of the annual U.S.-Japan (Treasury-MOF led) financial services talks held March 8 in Washington, DC. It would be appropriate to thank Tanigaki for his Ministry's close collaboration. Per your recent telephone conversation with Secretary Bodman, please underline the importance the United States attaches to a partnership with Japan on the Megaports Initiative. Megaports complements the CSI program and our law-enforcement and anti-terrorism agendas. Embassy representatives from DOE and DHS have had productive interagency meetings with the Japanese in October 2005 and March 2006. MOFA chaired the meetings, and is a strong supporter of Megaports. MOF, to date, has been non-committal on Megaports, and CTB has resisted efforts to be made the lead Japanese agency, but there are signs that the resistance is fading. We believe that raising the issue with Tanigaki will help move Megaports forward.

¶17. (C) Land, Infrastructure and Transportation Minister Kazuo KITAGAWA: Minister Kitagawa is a senior member of the LDP's coalition partner Komeito. The Ministry of Land, Infrastructure and Transportation (MLIT) oversees the Japan

Coast Guard, a key player in the International Port Security Program. After successfully hosting a ministerial conference on Transportation Security in January 2006, MLIT appears ready to play a bigger role in transportation security. The No Fly List, passenger and baggage screening, and airport and maritime port security are part of MLIT's portfolio. MLIT is also a key DHS partner on S&T initiatives such as Marine Asset Tag Tracking System (MATTS).

Press and Public Affairs

18. (C) You will be meeting with high-level U.S. business executives from the American Chamber of Commerce in Japan (ACCJ) representing the airline and transportation industries. They will brief you on the current state of relations between U.S. industry and the GOJ. You will also be meeting with the Security and Safety Commission, a distinguished advisory group of former business executives and government officials, including former Japanese Ambassador to the United States Shunji YANAI. The Security and Safety Commission advises the GOJ on critical-infrastructure protection, physical safety and cyber safety. We have also arranged a roundtable for you with key Japanese print media.

19. (U) We at Embassy Tokyo look forward to briefing you further on your arrival and stand ready to do all we can to make your trip productive. You are visiting Japan at a time when our relationship is as good or better than it has ever been. We are confident your visit will be successful and will contribute to the continued deepening of our ties.
SCHIEFFER